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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/859,661	05/17/2001	Stuart A. Fraser	96-1007RE	3933
63710 7590 08/13/2010 INNOVATION DIVISION CANTOR FITZGERALD, L.P. 110 EAST 59TH STREET (6TH FLOOR) NEW YORK, NY 10022				
EXAMINER CHAMPAGNE, DONALD				
ART UNIT 3688		PAPER NUMBER		
MAIL DATE 08/13/2010		DELIVERY MODE PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/859,661

Applicant(s)

FRASER ET AL.

Examiner

Donald L. Champagne

Art Unit

3688

Period for Reply -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 14 June 2010.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-5, 7-23 and 34-36 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-5, 7-23 and 34-36 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SF/02)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____
- Paper No(s)/Mail Date _____

DETAILED ACTION

Claim Rejections - 35 USC § 101

1. The rejection of claim 1 under 35 U.S.C. 101 and a corresponding rejection under 35 U.S.C. 112, second paragraph, have been withdrawn. As the applicant notes (p. 8), the body of the claim is limited to "a plurality of workstations", which is unambiguously a collection of machines, commonly called a "system". It would be clear to one of skill in the art that the applicant is claiming one of the four classes on invention enumerated by 35 U.S.C. 101.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claim 1-5,7-15 and 34-36 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Where applicant acts as his or her own **lexicographer** to specifically define a term of a claim contrary to its ordinary meaning, the written description must clearly redefine the claim term and set forth the uncommon definition so as to put one reasonably skilled in the art on notice that the applicant intended to so redefine that claim term. *Process Control Corp. v. HydReclaim Corp.*, 190 F.3d 1350, 1357, 52 USPQ2d 1029, 1033 (Fed. Cir. 1999). The term "a protocol of trade sequences" in claim 1 (line 12) is apparently used by the claim to mean "a series or set(s) of trade sequence steps" while the accepted meaning of "protocol" is (in the context of Computer Science), "rules determining the format and transmission of data" (Google definitions of "protocol") or "a set of conventions governing the treatment and especially the formatting of data" (Merriam-Webster definition 3b). The term is indefinite because the specification does not clearly redefine the term.¹ This rejection can be overcome by claiming a "trade sequence(s)" in place of "a protocol of trade sequences".

¹ MPEP § 2111. An inventor may define specific terms used to describe invention, but must do so "with reasonable clarity, deliberateness, and precision" (MPEP § 2111.01.III). A "clear definition" must establish the metes and bounds of the terms. A clear definition must unambiguously establish what is and what is not included. A clear definition is indicated by a section labeled definitions, or by the use of

Claim Rejections - 35 USC § 102 and 35 USC § 103

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1-5, 7-23, and 34-36 are rejected under 35 U.S.C. 102(b) as being anticipated by McCausland et al. (US005243331A, hereafter "McCausland") and also under 35 U.S.C. 102(b) as being anticipated by Kramer (US patent 5,038,284).
7. In order to provide a more concise action, the examiner will cite features of the claim followed by citation of the appropriate passages from each of the two references. However, the applicant is cautioned that each reference is being used in a separate and distinct rejection under 35 U.S.C. 102(b).
8. McCausland and Kramer each teach (independent claim 1) a trading system, comprising:
- a plurality of workstations comprising a display means (McCausland, Figure 2; Kramer, Figure 3a and col 11, lines 9-12); and
 - a server in communication with said workstations, programmed to support a predetermined trading control logic wherein said trading control logic comprises (a protocol of) trade sequences initiated from a bid/offer state by a participant hit or lift trade command (McCausland, Figure 1, col 22, lines 43-63, and col 24, lines 7-67; Kramer col 5, lines 23-31 and col 9, lines 42-65).

9. Claim scope is not limited by claim language that suggests or makes optional but does not require steps to be performed, or by claim language that does not limit a claim to a particular structure (MPEP § 2111.04). Accordingly, no patentable weight was given to the following claim language:

“for presenting to a participant information about pending market conditions as they relate to said items being traded and the bids and offers entered by other participants in regard to said items”;

“wherein said protocol is directed to execute trade commands from said participants in a predefined way corresponding to a plurality of trade states defining the ability of various participants to participate in trading activity”; and

“wherein said trade states comprise a state whereby the trading control logic, in response to detecting that an aggressor participant's hit or lift of an order and that the order was changed from a first size to a second size that is greater than the first size within a predefined period of time of the hit or lift command, automatically enables the aggressor participant to decline, prior to execution, at least a portion of only the excess above the first size.”

10. A “state” or “trade/ing state” is a condition and not structure *per se* (Merriam-Webster definition)². No patentable weight was or can be given to claiming “trade/ing state(s)”. The examiner can give patentable weight to steps, properly recited, within a system claim, e.g., “wherein said trade sequences comprise: detecting the aggressor participant's hit or lift of an order to change from a first size to a second size that is greater than the first size, within a predefined period of time of the hit or lift command; and automatically enabling the aggressor participant to decline, prior to execution, at least a portion of only the excess above the first size.”
11. Also because they add no structural limitations, no patentable weight was given to claims 2-5, 7, 14, 15, 35 and 36.
12. McCausland and Kramer also each teach:

(claims 8) a bid side and an offer side or a market (McCausland, col 18, lines 49-57 and col 20, lines 25-26; Kramer, Figure 3a and col 12, lines 10-12);

² The claim language also acknowledges, “wherein said trade state comprises a state”.

(claim 9) displaying information as to the size of uncleared (unreconciled) bids and offers (McCausland, col 18, lines 49-57; Kramer I col 12, lines 43-46);

(claims 10-12) a list (queue) of bids and offers showing the participants, time and size of entry, and price (McCausland, Figures 6-9 and col 18, line 34 - col 22, line 38; Kramer, Figure 3a; col 12, lines 3-13; and col 20, lines 43-65);

(claim 13) displaying information regarding the hits or lifts by the participant (McCausland, col 20, lines 25-26; Kramer, Figure 3a and col 12, lines 10-12); and

(claim 34) automatically executing the outstanding order ("for a first size") in response to a hit or lift command (McCausland, col 22 line 64 to col. 23 line 2; Kramer, col 2 lines 29-42).

13. Claims 16-23 are rejected under 35 U.S.C. 102(b) as being separately anticipated by or, in the alternative, under 35 U.S.C. 103(a) as being separately obvious over McCausland et al. (US005243331A, hereafter "McCausland") and Kramer (US patent 5,038,284).

14. McCausland and Kramer each teach (independent claim 16) a computer trading system, comprising:

a data processor with associated data storage (McCausland, col 5, lines 46-53; Kramer, abstract);

a trade command input means including said custom designed keypad wherein said keypad includes a plurality of trade execute keys, individually assigned to a particular security available for trading, said keypad further comprises a plurality of participant entry keys assigning trade commands to a particular participant (McCausland, Figure 3 and col 6, line 42 - col 8, line 23; Kramer, Figure 3a and col 16, table); and

a display means (McCausland, col 24, lines 2-5; Kramer, Figure 3a and col 11, lines 9-12).

15. Claim scope is not limited by claim language that suggests or makes optional but does not require steps to be performed, or by claim language that does not limit a claim to a particular structure (MPEP § 2111.04). Accordingly, no patentable weight was given to the following claim language:

"for providing a trading protocol that establishes trading hierarchy among participants";

"for presenting a trading information profile wherein said trading profile includes pending offers and bids at select price points and size."

16. McCausland and Kramer also each teach (claim 17) a Cancel key (McCausland, "reject" col 7, lines 43-47 and col 23, lines 27-29; Kramer, "NT" in the col 16 table).
17. Because they add no structural limitations, no patentable weight was given to claims 18-23.

Response to Arguments

18. Applicant argues,

"Paragraph 7 of the Action fails to raise a valid rejection of claim 1. **[1] First, the claim provides its own lexicographical definition** for a 'protocol of trade sequences' ('wherein said protocol is directed to execute trade commands from said participants in a predefined way corresponding to a plurality of trade states defining the ability of various participants to participate in trading activity.'). As the Action itself notes, if the application itself provides a definition, then resort to external dictionaries is not permitted. Resort to the Google dictionary was an incorrect analytical step.

[2] Second, the only relevant test under § 112 ¶ 2 is whether the claim 'define[s] the patentable subject matter with a reasonable degree of particularity and distinctness.' The Action itself states that the Examiner had no difficulty determining a 'broadest reasonable interpretation.' The claim is therefore not indefinite." (Middle of p. 9, numbering in brackets and **bold emphasis** added and two footnotes omitted)

As to **[1]**, the claims say what the protocol is "directed to", which is hardly a definition. As to **[2]**, the applicant quotes piecemeal from MPEP 2173.02 and adds the opinion that the recitation is "the only relevant test". Here is the first paragraph of MPEP 2173.02:

"The examiner's focus during examination of claims for compliance with the requirement for definiteness of 35 U.S.C. 112, second paragraph, is whether the claim meets the threshold requirements of clarity and precision, not whether more suitable language or modes of expression are available. When the examiner is satisfied that patentable subject matter is disclosed, and it is apparent to the examiner that the claims are directed to such patentable subject matter, he or she should allow claims which define the patentable subject matter with a reasonable degree of particularity and distinctness.

Some latitude in the manner of expression and the aptness of terms should be permitted even though the claim language is not as precise as the examiner might desire.

Examiners are encouraged to suggest claim language to applicants to improve the clarity or precision of the language used, but should not reject claims or insist on their own preferences if other modes of expression selected by applicants satisfy the statutory requirement." (First para. of MPEP § 2173.02)

19. The examiner believes he has fully complied with these requirements. As a further note, the examiner searched the US patent database, which contains in the order of 7 million patents, and found only four used the words "protocol", "trade" and "sequence" in close proximity.³ All four of these patents were issued to the instant inventive entity of three persons. The purpose of the law is to assure that those of ordinary skill in the art, not merely the three inventors, can understand what the claims mean.
20. Applicant argues, "The Action errs by disregarding limiting language" (first full para. on p. 10). Applicant denies the rejection without distinctly and specifically pointing out the supposed errors in the examiner's action. This fails to comply with 37 CFR 1.111(b). The applicant gives examples of alleged deficiencies, but said examples do not clearly correspond to any language in the last Office action.
21. Applicant argues (pp. 10-11) that the examiner's inherency argument (at para. 19 of the last office action) is improper. Actually, the examiner found that the inherency argument was unnecessary, so the argument is moot.

Conclusion

22. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).
23. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event,

however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

24. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Donald L Champagne whose telephone number is 571-272-6717. The examiner can normally be reached Monday to Wednesday and Friday. The examiner can also be contacted by e-mail at donald.champagne@uspto.gov, and *informal* fax communications (i.e., communications not to be made of record) may be sent directly to the examiner at 571-273-6717.
25. The examiner's supervisor, John Weiss, can be reached on 571-272-6812.
26. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).
27. **AFTER FINAL INTERVIEW PRACTICE** – Consistent with MPEP § 706.07(f) and 713.09, prosecution generally ends with the final rejection. **The examiner will grant an interview after final only when applicant files an interview request (form PTOL-413A)** containing compelling evidence that "disposal or clarification for appeal may be accomplished with only nominal further consideration" (MPEP § 713.09). The burden is on applicant to demonstrate this requirement, preferably in no more than 25 words. Amendments are entered after final only when the amendments will clearly simplify issues, or put the case into condition for allowance, clearly and without additional search or more than nominal consideration..
28. Applicant may have after final arguments considered and amendments entered by filing an RCE.
29. Applicant is advised that, unless a proposed amendment is filed after final and the examiner returns an advisory action with block 3(a) checked (signifying that further search or

³ The search is called "protocol_trade_seq" and its history is being made of record herewith.

Art Unit: 3688

consideration is required), an amendment filed with an RCE **COULD BE MADE FINAL IN THE FIRST ACTION** in accordance with MPEP § 706.07(b).

11 August 2010

/Donald L. Champagne/
Primary Examiner, Art Unit 3688